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C O N F I D E N T I A L ROME 002148

SIPDIS

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TAGS: [MARR](#) [ELAB](#) [IT](#)

SUBJECT: FRUSTRATED ITALIAN UNIONS TO SEEK MINISTRY OF  
LABOR MEDIATION ON COE NEGOTIATIONS

CLASSIFIED BY LABORCOUNS CANDACE PUTNAM FOR REASONS 1.4  
(B)(D),

[11.](#) (U) This is an action request, please see para 10.

[12.](#) (C) Summary: Italian unions representing civilians who work for the U.S. military on Italian bases expressed to Embassy Labor Counselor extreme frustration over the inability to conclude a Conditions of Employment agreement for the last two years. They feel the JCPC is leaderless, unresponsive and seemingly powerless to make decisions. To achieve results, they are considering strikes and appeals to the Ministry of Labor for mediation and the Ministry of Defense for political support. Embassy believes some immediate response that offers the unions a commitment for serious negotiating sessions would forestall this appeal for mediation. Given the current climate, we urge careful consideration of proposals for additional RIFs at the Naples Hospital. Embassy requests NAVEUR guidance on how to respond to the unions. End Summary

[13.](#) (SBU) Mario Piovesan (Fisascat/CISL) and Emilio Fargonoli (Uiltucs/UIIL), national representatives of the two unions that represent Italians working for the U.S. military on Italian bases, requested a meeting with Embassy Labor Counselor June 16 to convey their extreme frustration with the lack of progress in the Conditions of Employment (COE) negotiations. They characterized the state of union-U.S. military relations as being in crisis over a COE that expired in September 2003.

[14.](#) (SBU) Union complaints centered on their sense that the Joint Civilian Personnel Committee (JCPC) is leaderless, unresponsive and seemingly powerless to make any decisions. As examples, they cited the infrequency of high-level meetings, months-long delays in receiving responses to letters, and responses they characterized as being uniformly negative with no suggestions of compromise. Fargonoli said the JCPC team leaders made a wonderful first impression with the unions but have since been absent from key meetings or unwilling/unable to offer compromises. They sensed that the U.S. negotiators were not adequately focused on Italian negotiations. Union discussions on the issue of RIFs also, they believe, revealed a lack of coordination between military commands and civilian JCPC members.

[15.](#) (SBU) The unions are particularly annoyed by the JCPC decision to refer COE issues to a sub-committee that, in their view, lacks the political clout to make decisions. Piovesan and Fargonoli feel that the sub-committee is just a technical body that needs clearance from the JCPC to make decisions. When they try to approach the JCPC, however, they are bounced back to the sub-committee. They increasingly feel this is a tactic that reflects deliberate USG policy to delay progress on a new COE. Ideally, they would like an Italian representative on the JCPC.

[16.](#) (SBU) Expressing frustration, Piovesan and Fargonoli said the unions would be forced to approach the Ministry of Labor for mediation and the Ministry of Defense for political support. They will also consider strike action. Without explicitly saying it, the two also intimated they would work the issue through both media and civilian political channels. Labor Counselor thanked them for sharing their concerns and asked that the unions hold off on any further action until the Embassy could convey union concerns to the appropriate U.S. military authorities. She stressed that the Embassy was not a party to the negotiations and that our role was only to facilitate discussion.

[17.](#) (SBU) Under Italian law, the Ministry of Labor can mediate differences on disputes over national collective labor contracts between labor representatives and employers when requested by one or both of the parties after negotiations fail to produce a contract. The MOL Department for Safeguarding Conditions of Employment summons the parties and suggests feasible solutions for a compromise. There is no standard procedure or timetable for the mediation process, and the MOL's proposals are not binding on the parties.

RIF Actions

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18. (SBU) Laborcouns also asked about the status of RIFs that have been discussed with unions since February 2005. Piovesan said the unions were generally satisfied with progress on this issue; however, the status of five workers scheduled to be RIF,d in Sigonella and one in Naples had yet to be finally determined. Embassy did not raise the proposed additional eight RIFs at the Navy Hospital in Naples, and the union representatives did not indicate they had heard any rumors about the new RIFs.

19. (C) Comment: The union representatives exhibited more frustration than anger over the lack of progress on COE negotiations. They appear to want to negotiate but feel they have no credible and focused interlocutors in the JCPC. Given deteriorating economic conditions (Italy is now officially in recession) and an increasingly unsettled national political scene, we fully expect the unions will call strikes and make their case through unhelpful media intervention. Given this climate, we are concerned about the effect of proposals for an additional eight RIFs at the Naples Hospital. We predict the unions will react very negatively to what they will see as an uncoordinated surprise by U.S. personnel managers.

10. (C) By engaging the MOL in mediation efforts, they are seeking to bring political pressure to bear on the U.S. side. Historically, in mediations the MOL has offered compromises that favor workers over employers. Although such a compromise proposal would not be binding, unions clearly believe it would strengthen their bargaining position with the U.S. With upcoming elections, we cannot preclude the possibility that some MOL personnel could publicize the issue for political gain. Our sense is that some immediate attention (perhaps in the form of phone calls and letters to national CISL and UIL representatives) offering commitments for serious COE negotiating sessions in the near future (i.e., the new few months) could forestall a request for MOL mediation. Action Request: Embassy stands ready to support NAVEUR,s decision on the way forward and awaits guidance on how to respond to the unions.

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